

Marketing For **SUCCESS** at Farmers' Markets



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Benefits of Selling at the Farmers' Market

- Low overhead cost
- Convenient
- Entrepreneurial spirit!
- Small commitment
- Greater financial return
- Build relationships
- **It's FUN!**



Do YOU have the skills required to sell successfully at a Farmers' Market?

- Are you outgoing?
- Enjoy ALL types of people?
- Prepared to be a salesman?
- Knowledgeable about your product?
- Physically prepared?
- A risk taker?



Why do people visit Farmers' Markets?

- Obtain fresh and high quality agricultural & food products
- Obtain products not offered at other markets (organic, reduced pesticide, locally grown, heirloom, free range, etc.)
- Desire to know the “hand that feeds them”
- Help the local economy grow
- For leisure or entertainment

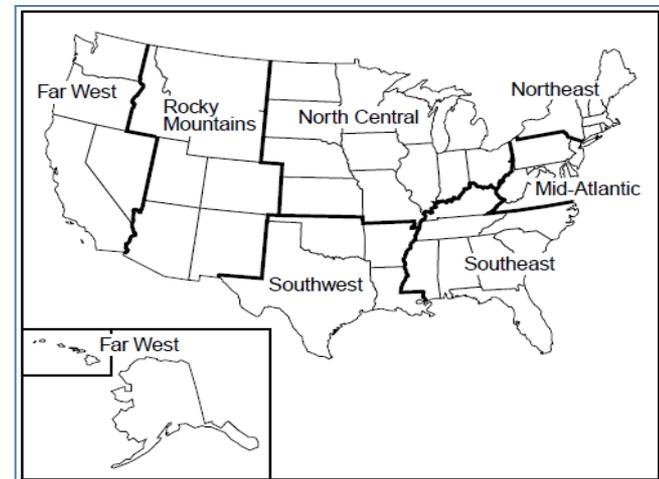


How much do customers spend at Farmers' Markets?

Several studies have shown that on average, customers spend between \$8 to \$42 per week at Farmers' Markets

U.S. Farmers' Market Survey in 2010- USDA

LOCATION	\$ per week per customer
Far West	\$14.30
Rocky Mountain	\$8.00
Southwest	\$12.80
United States	\$17.30



Wouldn't you want to earn \$8 from each potential customer who walks by your stand?

Marketing 101



Marketing = selling

Customer oriented marketing = creating value for customers and building relationships in order to capture value (\$) from customers in return.

Goals:

1. Attract new customers by providing superior value & experience
2. Keep & increase current customers by delivering satisfaction

Marketing Mix (4 P's)

Four things you can control to influence the demand for your produce or value-added product:

Product

Price

Place

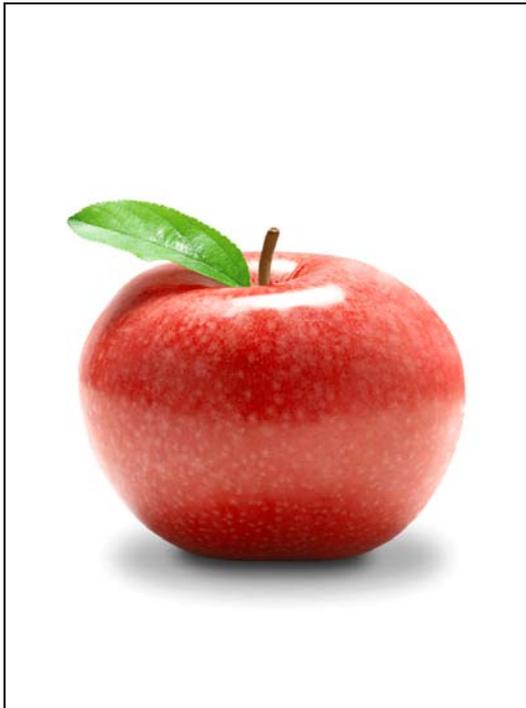
Promotion



PRODUCT

Definition: Goods that are offered in a market for consumption, in order to satisfy a customer's wants or needs.

- A product consists of different attributes for which consumers are willing to pay money



Attributes of an apple

Taste

Juiciness

Appearance

Locally grown

Certified Organic (reduced pesticide)

Variety (Gala, Red Delicious, etc.)

\$2.00/LB

McIntosh

The McIntosh is crisp and tart-sweet. Great for eating, juice and apple butter. Doesn't hold up for lengthy cooking.



Factors to consider when choosing products to sell

1. Think **customers first**—Before planning or cooking any products, make sure your customers are interested in your products and its attributes
2. **Differentiate yourself** from the competition
 - a. offer products nobody else is (early/late in season)
 - b. provide a different mix of products
 - c. offer products with different attributes
 - d. use packaging/display that stands out
3. Provide **top quality products**—remember customers want freshness and quality
4. Provide **higher value** to customers—offer your family recipes, sample of a new products, etc.

PRICE

Not too high, not too low....at what price should you go?

1. Base on your customer perceptions of value

Organic produce—20 – 100% price premium

Local produce—37% price premium

2. Base on cost of production

Penciling out how much it costs to produce 1 lb. of tomatoes, then add a fair profit margin to the cost

3. Base on competition and supply

Take into consideration the prices charged by your neighbors at the market and current price in local groceries and be prepared to justify a price premium



Make sure prices are visible and easy to read



Having product variety is another way of creating “value” for your customers

Product Add-ons

Coleslaw

Recipe provided by the Johnson Family Farm

1/3 C. sugar or 1 C. pineapple chunks with juice

1/2 tsp salt

1/8 tsp pepper

1/4 C. milk

1/2 C. mayonnaise

1/4 C. buttermilk

1 1/2 TBS white vinegar

2 1/2 tsp. lemon juice

8 C. cabbage, finely chopped

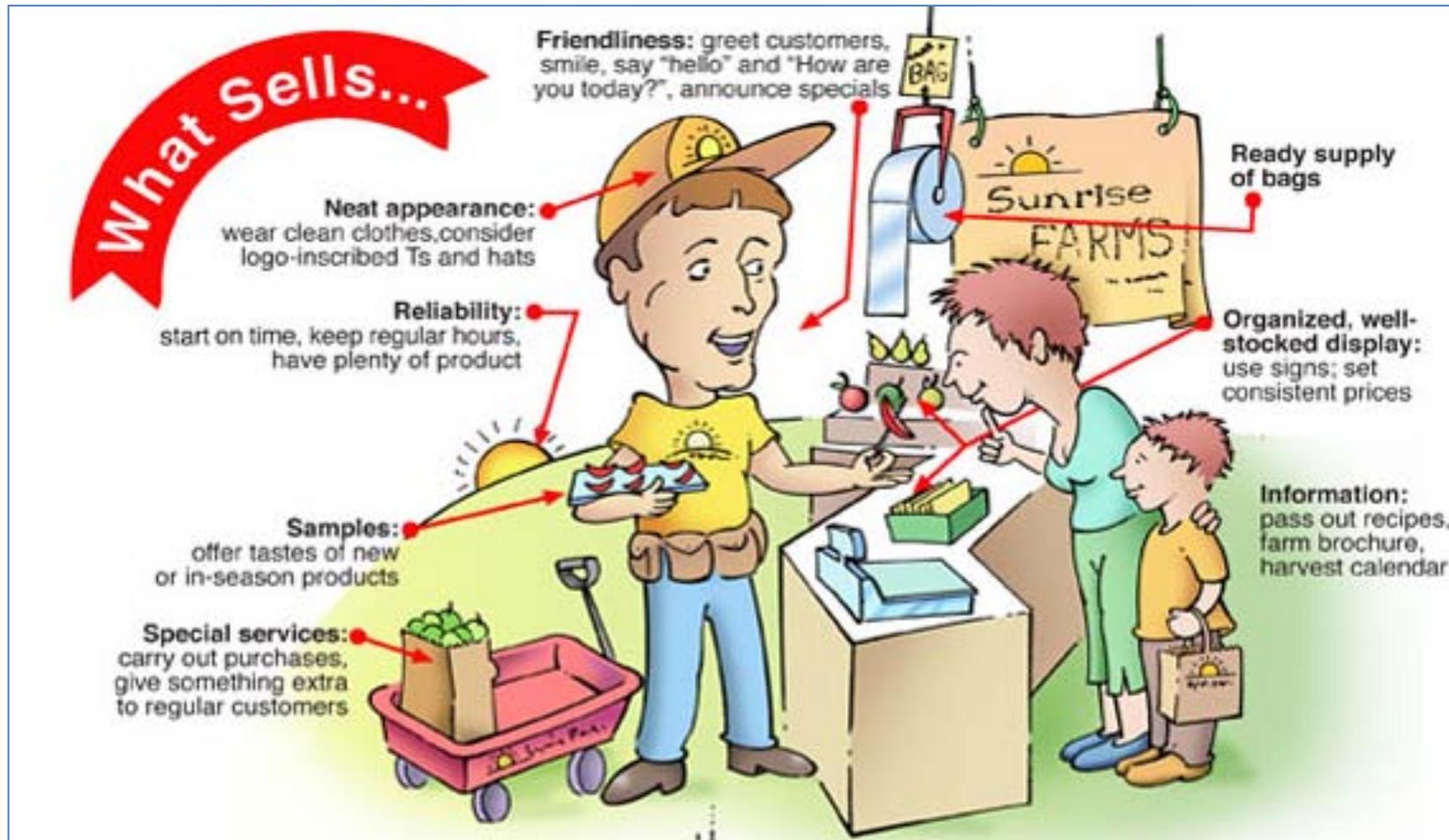
1/4 C. carrot, shredded



Combine all ingredients except vegetables. Beat until smooth. Add cabbage and carrots. Cover and chill at least 4 hours. Serves 10.

PLACE

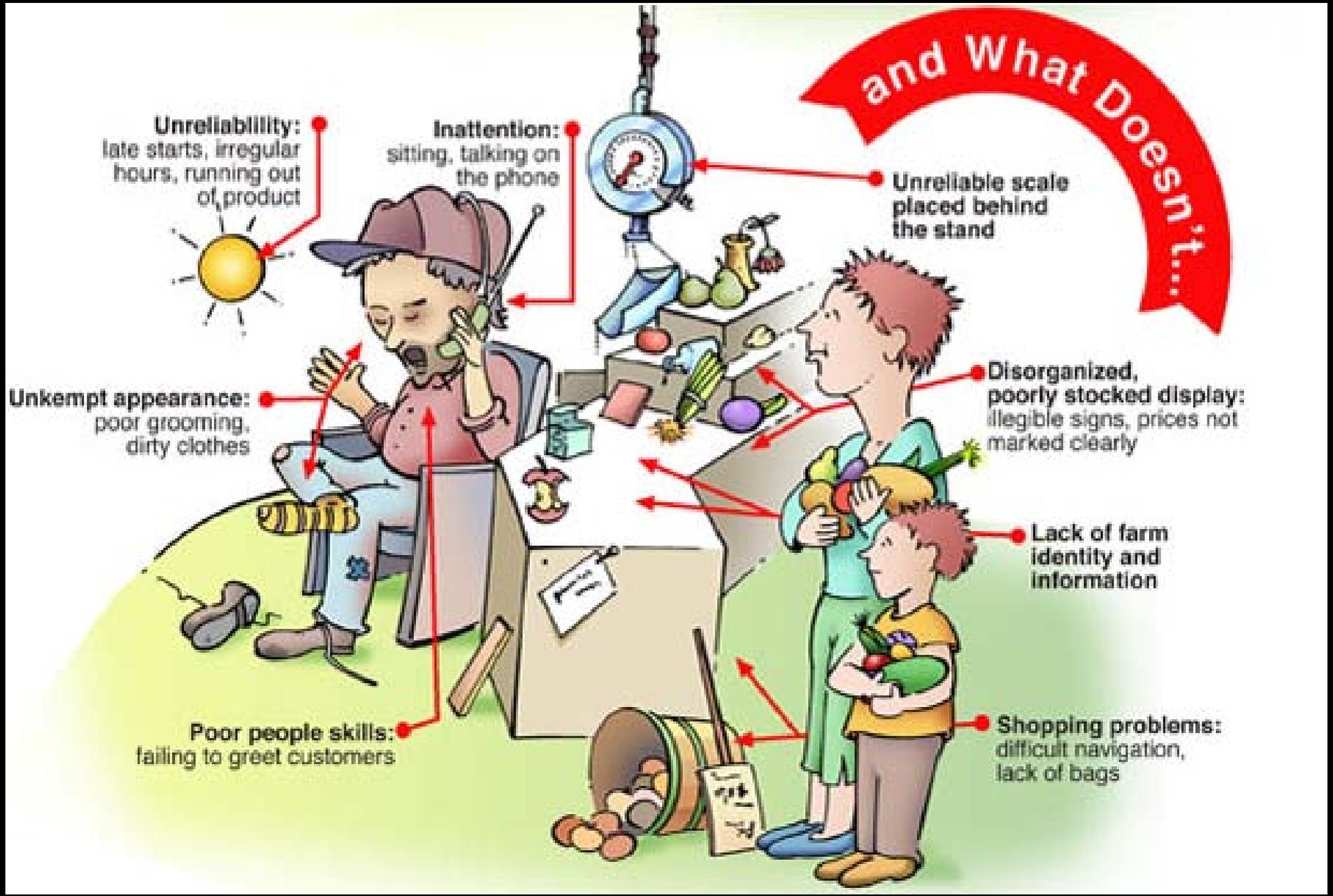
Market setup is **VERY** important to attract customers!





PLA-3000N
TOMATOES
Per Pound
\$2

and What Doesn't



Unreliability:
late starts, irregular hours, running out of product

Inattention:
sitting, talking on the phone

Unreliable scale
placed behind the stand

Unkempt appearance:
poor grooming, dirty clothes

Disorganized, poorly stocked display:
illegible signs, prices not marked clearly

Lack of farm identity and information

Poor people skills:
failing to greet customers

Shopping problems:
difficult navigation, lack of bags

Other important factors:

- Do you provide a shelter?
- Is your place easy to find? (colored tent, flags, etc.)
- Are products accessible to customers of all income levels (opportunities catering to WIC & Senior Farmers' Market Program)
- Do you offer convenience of payments?
- Is your location consistent each week?
- Do you have a prime location?



PROMOTION

Definition: Any activity that communicates the merits of a product and persuades customers to buy it.

Promotional Tools:

- Personal selling
- Sampling
- Point of purchase displays
- Other promotional activities



Selling to the Senses



Personal Selling

Engage your customers!

- Invite them in your booth (greet, smile & have eye contact)
- Determine their wants & needs (ask questions, listen, offer samples)
- Educate & inform
- Create a connection
- Invite them back!



Sampling



Sampling offers a GREAT opportunity to engage your customers!

Always be sure to practice food safety guidelines when sampling.

Understand that sampling is a cost of advertising.

Point of Purchase Displays



- Banner with your farm/garden/family name
- Signs listing products available
- Special of the week





PARSLEY \$7

Italian Parsley \$10

Thyme \$6

PAPALO \$10

LOVAGE \$10

Curry Celery \$10

Lemongrass \$10

Winter Sage \$10

Marjoram \$10

Tarragon \$10

Sage \$10

NUMEX
PEPPERS
\$4.

PER POUND

JOE E. PARKER NUMEX
THICK WALLED CHILE
USED FOR STUFFING,
ROASTING + SAUCES.
MILD SPICE WITH GREAT
CHILE FLAVOR. ROAST + FREEZE!



Display products to create a look of fullness and bounty!



Other Promotional Activities...



Story of your farm or garden

Provide a farm or garden tour



- Enlist on www.localharvest.org
- Offer a weekly raffle for \$10 value of produce
- Develop an email list and send blasts out informing of produce you'll have for sale at the next market
(include a coupon, recipe & other information of value)



What's right and what could be improved?



What's right and what could be improved?





For more information about New Mexico Farmers' Markets

New Mexico Farmers' Market Association

www.farmersmarketsnm.org

**Or call your local New Mexico State University
Cooperative Extension Service Office**